

PUBLIC CHAPTER NO. 742

HOUSE BILL NO. 3505

By Representative Ulysses Jones

Substituted for: Senate Bill No. 3054

By Senators Kyle, Marrero

AN ACT to amend Tennessee Code Annotated, Title 8, relative to the creation of investment trusts for certain post-employment benefits offered by governmental entities.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 8-50-1203, is amended by deleting subdivision (2) thereof in its entirety and by substituting instead the following:

(2)(A) The investment committee of the political subdivision must adopt, in writing, an investment policy authorizing how assets in the trust may be invested. The policy shall not authorize assets in the trust to be invested in any instrument, obligation, security, or property that would not constitute a legal investment for assets of Tennessee domestic life insurance companies;

(B) Notwithstanding the provisions of subdivision (2)(A) above, the investment committee of a political subdivision may adopt, in writing, an investment policy authorizing assets in the trust to be invested and managed in accordance with the investment policy the political subdivision utilizes to manage pension assets; provided, however, such pension fund management must conform to the provisions of the Tennessee Uniform Prudent Investor Act of 2002, as the same may be amended from time to time;

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: March 31, 2008



JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES



RON RAMSEY, SPEAKER
SENATE OF THE SENATE

APPROVED this 10th day of April 2008



PHIL BREDESEN, GOVERNOR